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GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING



THOMAS D. WATKINS, JR.  
SUPERINTENDENT OF  
PUBLIC INSTRUCTION

**FISCAL YEAR 2004  
CHILD AND ADULT CARE FOOD PROGRAM  
OPERATIONAL MEMO #11**

TO: Child and Adult Care Food Program Sponsors

FROM: Julie Stark, Interim Director  
Grants Coordination and School Support Services

DATE: May 11, 2004

SUBJECT: **Changes to Monthly Small Purchase Procurement**

The USDA Regional office has provided further clarification regarding procurement of small purchases.

Public and private non-profit sponsors with purchases from a single vendor under \$100,000 during the fiscal year or private for-profit sponsors with purchases under \$10,000 from a single vendor during the fiscal year are required to conduct and document comparison shopping as follows:

- At the beginning of the fiscal year, document price comparisons for a minimum of three commonly used items. It is recommended that a minimum of three vendors be used for price comparisons for each of the commonly used items.
- Document the reason each vendor was selected.
- If additional vendors are used during the year, add them to the Documentation of Vendor Selection Form with the reason the vendor was selected.

For public and private non-profit sponsors with purchases from a single vendor over \$100,000 during the fiscal year or private for-profit sponsors with purchases from a single vendor over \$10,000 during the fiscal year must use the competitive bidding process. Information regarding competitive bidding can be found on CNAP under Downloadable Prototypes on the Main Menu entitled Invitation to Bid and Contract Instructions.

Attached is a form that can be used for small purchase documentation, as well as a sample completed form. This form is also available on CNAP under Other Forms and Information on the Main Menu entitled Documentation of Vendor Selection Form.

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If you have any questions regarding this information, contact the Child and Adult Care Food Program staff at (517) 373-7391.

Please keep this memo on file or in a notebook for quick and easy access.

## Monthly Vendor Selection

Month October Year 20XX

ITEM	VENDOR	VENDOR	VENDOR	VENDOR	REASON FOR SELECTION
	Corner Market	Thrifty Mort's	Discount Darla's		
Apples (pound)	Price .99 <input type="text"/>	Price 1.19 <input checked="" type="checkbox"/>	Price .79 <input type="text"/>	Price <input type="text"/>	Best quality for price Location Credit availability
Milk (gallon)	Price 2.39 <input type="text"/>	Price 1.79 <input checked="" type="checkbox"/>	Price 1.89 <input type="text"/>	Price <input type="text"/>	Best price
Ground Beef (pound)	Price 1.79 <input type="text"/>	Price 1.69 <input checked="" type="checkbox"/>	Price 1.59 <input type="text"/>	Price <input type="text"/>	Already shopping at Thrifty Mort's
	Price <input type="text"/>	Price <input type="text"/>	Price <input type="text"/>	Price <input type="text"/>	
	Price <input type="text"/>	Price <input type="text"/>	Price <input type="text"/>	Price <input type="text"/>	

- You must justify why you use **each** vendor for whom you have a receipt.
- Select a minimum of three **commonly used or purchased items**.
- Mark an **X** in the box next to a price to indicate your selection.
- Indicate the reason for your selection (i.e., price, location, quality, credit availability)
- File in monthly claim file.

Make additional sheets as necessary

## Monthly Vendor Selection

Month \_\_\_\_\_ Year \_\_\_\_\_

ITEM	VENDOR	VENDOR	VENDOR	VENDOR	REASON FOR SELECTION
	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	
	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	
	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	
	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	
	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	Price <input type="checkbox"/>	

- You must justify why you use **each** vendor for whom you have a receipt.
- Select a minimum of three **commonly used or purchased items**.
- Mark an **A** in the box next to **Price** to indicate your selection.
- Indicate the reason for your selection (i.e., price, location, quality, credit availability)
- File in monthly claim file.

Make additional sheets as necessary